

**ANNUAL REPORT**  
**CONSUMER SERVICES DIVISION**  
**2000**

**ILLINOIS COMMERCE COMMISSION**

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## ***THE CONSUMER SERVICES DIVISION 2000 ANNUAL REPORT***

This report provides an overview of the programs and activities that were undertaken, completed, and implemented by the 26 member Staff of the Illinois Commerce Commission's (ICC) Consumer Services Division (CSD) during 2000. It includes such information as a breakdown of the types of inquiries/complaints that were received and how they were resolved; approaches to resolving inquiries and complaints; a look at CSD's involvement with programs such as the Universal Telephone Service Assistance Program (UTSAP), the TTY distribution program and the telecommunications relay service (TRS); and other activities including participation of Staff in consumer education efforts, rulemakings, certification cases and merger cases. Highlights of the year are listed below.

I hope this report will serve as a guide to understanding the needs and concerns of utility consumers in Illinois and the ways in which the ICC's Consumer Services Division addresses these important matters.

Debi Barr-Holquist  
Manager

### **HIGHLIGHTS OF 2000**

Serving Consumers Consumer Services Division served 10% more consumers in 2000 than in 1999. The number of consumers served has nearly tripled in the past five years while staffing has not quite doubled. Improvements in efficiency and equipment have allowed Staff to handle the increased volume of consumer demand. The number of complaints received by e-mail increased by 285% to 1,282 cases. Staff successfully worked with utilities to provide \$3.2 million to customers in savings or avoided costs. Customers have benefited greatly from the intervention of Staff and cooperation of utilities.

Electric Restructuring During 2000, Consumer Services Division continued to participate in the implementation of the "Electric Service Customers Choice and Rate Relief Law of 1997". CSD Staff continued to lead the Consumer Education campaign for small businesses and prepare for the residential campaign. In addition, our Staff has participated in the Delivery Services tariff uniformity proceeding, the Meter Service Providers rulemaking, revision of the Electric Standards of Service rule, a residential Delivery Services terms and conditions docket.

Consumer Education The "Plug-In-Illinois" campaign continues to provide information about electric restructuring in Illinois. According to the phased-in schedule, nearly 500,000 non-residential customers became eligible December 31, 2000. Utilities distributed bill inserts during November. Media and outreach efforts helped educate the business community throughout the year. Materials were presented at the Governor's Small Business Summit and at speaking engagements and other business group events throughout the year. Commission spokespersons, including Executive Director Charles Fisher, the Commissioners, and Staff spoke with groups such as the Building Owners Management Association, Chicago Athletic Club, and Rotary clubs. The Plug-In web site contains an overview of choice and the electric service industry, the brochure and bill insert in downloadable formats, a choice timeline, a list of suppliers and other information. This year the Plug-In web site has recorded more than 75,000 "hits".

In the telecommunications area, Consumer Services is leading the Consumer Education Fund (CEF) Committee that was established by the Illinois Commerce Commission as a condition of the SBC/Ameritech merger. The Committee functions as a not-for-profit corporation whose mission is to educate Illinois consumers to help them understand their options, rights and responsibilities in the telecommunications market. Ameritech provides \$3 million in funds to support this effort. In its initial efforts, the Committee has produced a brochure that offers information about the three kinds of calls (local, local toll, and long distance), established a web site, and conducted a survey to determine customer awareness. An educational campaign will be launched in the fall of 2001.

Lifeline Assistance The Commission entered orders (Docket Nos. 00-0481 and 00-0671) to raise the Lifeline monthly assistance to eligible consumers to range from \$1.50 to \$10.20 (this figure includes federal and state funds). The orders also require 100% (up to \$60) to cover installation fees.

Formal Telecommunications Cases Our Staff participated in the certification cases filed by 104 petitioners seeking Commission approval to offer local exchange service in Illinois. Consumer Services also played an active role in the asset purchases of GTE North Incorporated and GTE South Incorporated to Citizens Telecommunications Company of Illinois. In addition, CSD Staff took part in proceedings on the reorganization of Citizens Communications Company, Global Crossing North America, Inc., the Frontier Communications Companies and Illinois Consolidated Telephone Company. Consumer Services submitted testimony in both the Citizens Utility Board's complaint against Ameritech Illinois' sales and marketing practices and in Ameritech's Alternative Regulation Plan.

Illinois Community Technology Fund A member of CSD Staff has been an active representative of a not-for-profit corporation that administers the Illinois Community Technology Fund (ICTF). The Illinois Commerce Commission established the Community Technology Fund as a condition of the merger of SBC and Ameritech Illinois in 1999 to ensure that citizens in rural and low income areas of the state have access to advanced telecommunications technology. SBC/Ameritech is required to provide funding in the amount of \$1 million each year for three years. In addition, the ICTF has \$1,425,000 available over three years to support a Community Computer Center.

Telephone Penetration Study Trends indicate a decline in telephone penetration in Illinois. The Universal Telephone Assistance Corporation (UTAC), which is overseen by CSD, joined with the telecommunications industry to commission a study to determine why qualified Illinois residents are not participating in the Lifeline program. The study also provided information about why people don't have a telephone and how UTAC could target these residents. The results of the study will be used to develop an advertising, marketing, and educational campaign to inform customers about the opportunities available through the Lifeline program.

Illinois Telecommunications Law Re-write On July 1, 2001, Section 13 of the Illinois Public Utilities Act will sunset. Legislators and a wide variety of interested parties began meeting in 2000 to discuss the important task of re-writing this part of the law that governs the telecommunications industry in our state. Our Division has participated in this process, offering advice and commentary on the many aspects of the law which affect consumers.

Ameritech Service Quality and Fines Our Staff served a record number of consumers in 2000 who called or wrote to us regarding service installation or repair problems with Ameritech. This unfortunate situation also resulted in increased fines against the company, and CSD provided valuable policy information and commentary during the fining process.

Verizon Local Calling Plans In previous years, the Consumer Services Division received numerous contacts from GTE customers with concerns about small local calling areas and the applicable rates for calls within those areas. In the year 2000, however, the merged and re-named company, Verizon, began a campaign to expand its local calling areas and lower its local calling rates.

Natural Gas Supply Prices During the year 2000, analysts began warning of rises in natural gas supply prices nation-wide. These dramatic increases in natural gas prices resulted in customer bills that were double or triple those of the previous heating season. Throughout the season, CSD monitored the efforts of utilities with respect to communications, billing, collection practices, and

payment plans (both budget billing and deferred payment arrangements). CSD published a brochure, "Understanding Natural Gas Prices/Natural Gas Energy Savings Tips," which offers information about the costs of natural gas and suggestions for reducing gas consumption.

Illinois Power Vegetation Management Tariff (includes tree trimming) On December 6, 2000, Illinois Power Company became the first Illinois electric utility to file a vegetation management tariff. This filing generated strong opposition from consumers, representatives of both local and state government, and several consumer groups. CSD was in the process of filing testimony and setting up public forums when the company chose to withdraw the proposed tariff.

Consumer Services Survey Recently, Consumer Services surveyed a random sample of the customers who contacted the CSD office. The results of this survey have provided us with opinions about what customers find helpful and where they feel improvements are needed. Plans are for the survey to be ongoing so that we can continue to find the best ways to serve utility customers in Illinois.

Automatic Call Distributor Consumer Services is in the process of replacing its automated call distribution system and upgrading the complaint tracking system. To this end, Staff conducted exhaustive research of available equipment and evaluated the options to ensure that our choice of equipment would allow us to provide better, more efficient service to Illinois consumers. The new call distribution system will be installed in 2001.

## CONSUMER EDUCATION/COMPLAINT ACTIVITY

### HOW TO REACH CSD

Our Staff of Consumer Counselors is available to assist consumers with questions or complaints regarding utility service from 8:30 am to 5:00 pm, Monday through Friday.

?? Our toll free hotline number is **1-800-524-0795** (calls initiated within Illinois)

?? Our facsimile line is 217-524-6859

?? Our mailing address is 527 East Capitol Avenue, Springfield, IL 62701

?? Our e-mail address is: [consumer@icc.state.il.us](mailto:consumer@icc.state.il.us)

?? An online complaint form is available at: [www.icc.state.il.us](http://www.icc.state.il.us)

?? Consumers initiating calls outside of Illinois, utilities and others with an interest in Illinois regulations may contact the ICC's Consumer Services Division at 217-782-2024.

## **WHO WE ARE**

The Illinois Commerce Commission was created by the Illinois General Assembly for the purpose of regulating public utilities and commercial transportation. The structure and major functions of the Commission are derived from the Illinois Public Utilities Act (PUA), identifying the policy of the State to continue the effective and comprehensive regulation of public utilities. The goals and objectives of such regulation are to ensure efficiency, environmental quality, reliability, and equity. The Commission regulates telecommunications services to the extent mandated by Article 13 of the PUA and is overseeing the implementation of the Customer Choice Law, (electric restructuring) mandated by Article 16 of the PUA.

In 1972, the Commission's Consumer Services Division (CSD) was established and has evolved with changing utility regulation and services in Illinois. As the agency's principle contact with utility consumers in the state, CSD is uniquely positioned to provide important information to the Commission. Our Staff consists of management; administrative support; consumer counselors, whose primary responsibility is to interface with consumers; and members involved in consumer programs, which includes development of rules, carrier/supplier certification, and compliance issues.

CSD has continuous dialogs with consumers and utilities/service providers, allowing us to provide useful information to other divisions within the Commission and to the Commissioners concerning issues that develop. On an informal basis, the ICC's CSD contacts regulated utilities when issues of compliance and potential problems are raised by trends identified through consumer contacts.

## **CONSUMER EDUCATION**

The role of Consumer Services as educator expands as the utility industry changes, particularly with the development of competition. CSD responds to consumer questions about regulations, services and products. Program Staff and Consumer Counselors research and share information on laws, Commission Orders, company tariffs, new services and products, marketing and consumer input on regulatory issues. CSD has the important responsibility of helping consumers understand choices.



## **ADDRESSING COMPLAINTS**

In addition to education, a primary responsibility of CSD is to provide assistance to consumers in the resolution of informal complaints and disputes with regulated utilities and other entities. Informal complaints, as the designation implies, are those handled by Staff, not formally considered by the Commission, and which do not result in an order by the Commission. The formal complaint process is available when complaints cannot be satisfactorily resolved through Staff intervention.

Following is a description of methods used by counselors in addressing complaints and inquiries.

### ***3-Way Calling***

This is a process to interface directly with the company while the consumer is still on the phone. Certain problems and requests for assistance are well suited to this type of resolution. These include requests for payment arrangements, payment extensions, final notice prior to disconnection, repairs, medical certificates and billing issues that can be resolved during the initial contact. This method increases efficiency and, in most cases, results in a high degree of customer satisfaction. In 2000, more than 9,000 complaints were handled in this manner.

### ***Investigative Complaints***

Using this method, counselors notify the company of an informal complaint filed by the customer. The company must investigate the complaint and typically contacts the customer during the investigation. The company is required to furnish a report of the outcome along with supporting documentation. The counselor reviews the report to ensure that the company's action complies with Commission rules. CSD Staff may call on other divisions to provide answers to technical questions, getting advice from engineers, economists, and financial experts. After the review, the counselor contacts the customer with an explanation of the results.

### ***Consumer Services Online***

Through its e-mail address, the ICC's CSD receives contacts from consumers concerned with a wide variety of non-emergency issues. Site instructions advise consumers with emergency matters regarding service to contact CSD by telephone. Electronic access to CSD provides a viable alternative to traditional mail and the toll free telephone hotline. During 1999, CSD took 449 complaints via our web site. During 2000, the number of complaints received by e-mail increased by 285% to 1,282 cases.

### ***Company vs Company***

The ICC's CSD has procedures to facilitate resolution of complaints between companies that are competitors. The changing environment in the utility industry and the advent of competition have signaled the need for a venue in which no-fault compromises can be achieved, benefiting both the parties involved in the dispute and the consumers they serve. Experience confirms that all parties benefit when a complaint can be resolved informally, avoiding the need for a formal complaint.

## **RECORDING AND TRACKING DATA**

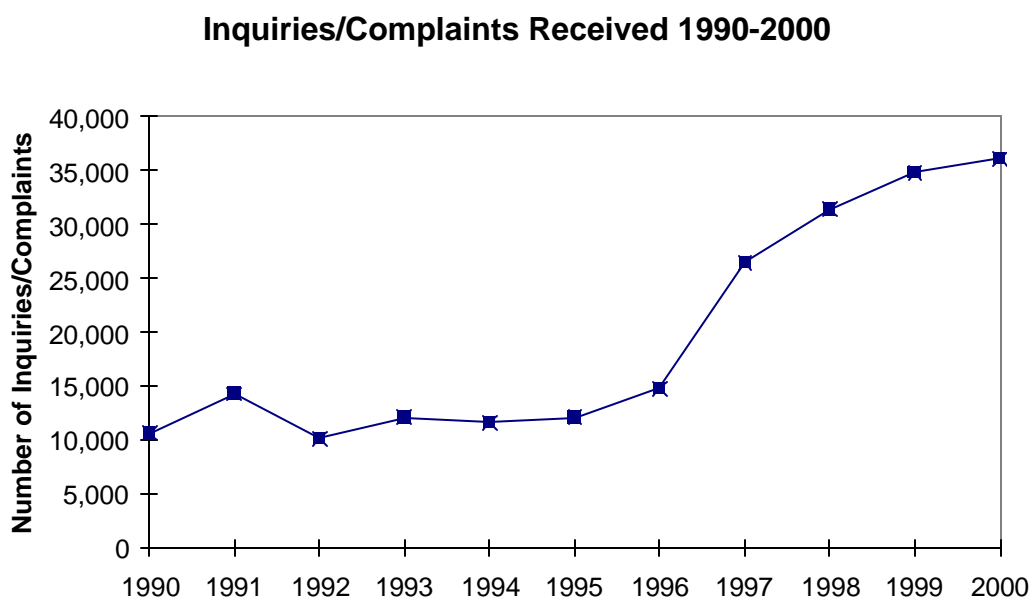
Consumer Services Division has a computerized complaint tracking system which provides an accurate and readily available record of consumer contacts. Using the Automated Complaint Tracking System (ACTS), complaints are identified not only in such general categories as billing, credit and deposits, rates, service and termination; but also in very specific terms. Our reporting capabilities allow us great flexibility in searching the records created in individual cases and compiling data. With reporting functions tied to every data entry field, our ability to track information, analyze utility and consumer trends, and determine the root cause of problems is virtually unlimited.

Several features in ACTS provide assistance to counselors. Access to records and a "quick search" feature allows counselors to review recently filed complaints reducing the number of duplicate complaints sent to utilities. An important feature of ACTS is electronic exchange. Many major utilities receive and respond via e-mail to complaints presented by counselors. Utility responses are directly entered into ACTS, significantly reducing the task of data entry summarizing the utility's position pertaining to the individual complaint. Standardized letters regarding the most common complaint issues are stored in ACTS allowing staff to quickly and efficiently generate replies to consumers.

## INFORMAL INQUIRY/COMPLAINT DATA

Counselors record informal inquiries, complaints, and opinions from consumers. Consumer education inquiries are typically answered during the initial contact. Customer opinions are also recorded during the initial contact. Based upon the nature of the problem, the counselor determines if there is a need for investigation requiring contact with the company.

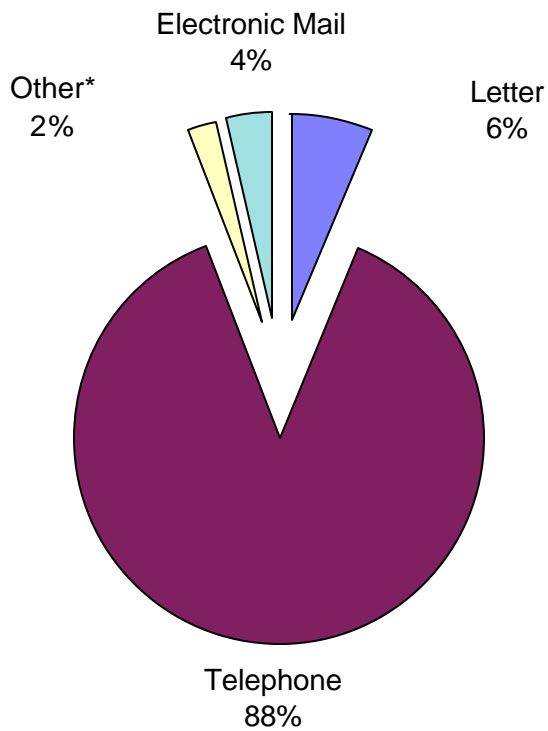
Graph 1



During 2000, CSD Staff recorded 36,121 contacts. Graph 1 depicts the increase in the number of contacts received from 1990 through 2000. Prior to 1996 the Division averaged about 12,000 inquiries/complaints each year. Increased staffing in 1996 allowed us to respond to nearly 15,000 inquiries/complaints. The increase during 2000 resulted from improved capability to receive and process inquiries/complaints, dedication of our Staff, and the consumers' growing need for information and assistance.

Graph 2

### Origin of Inquiries/Complaints

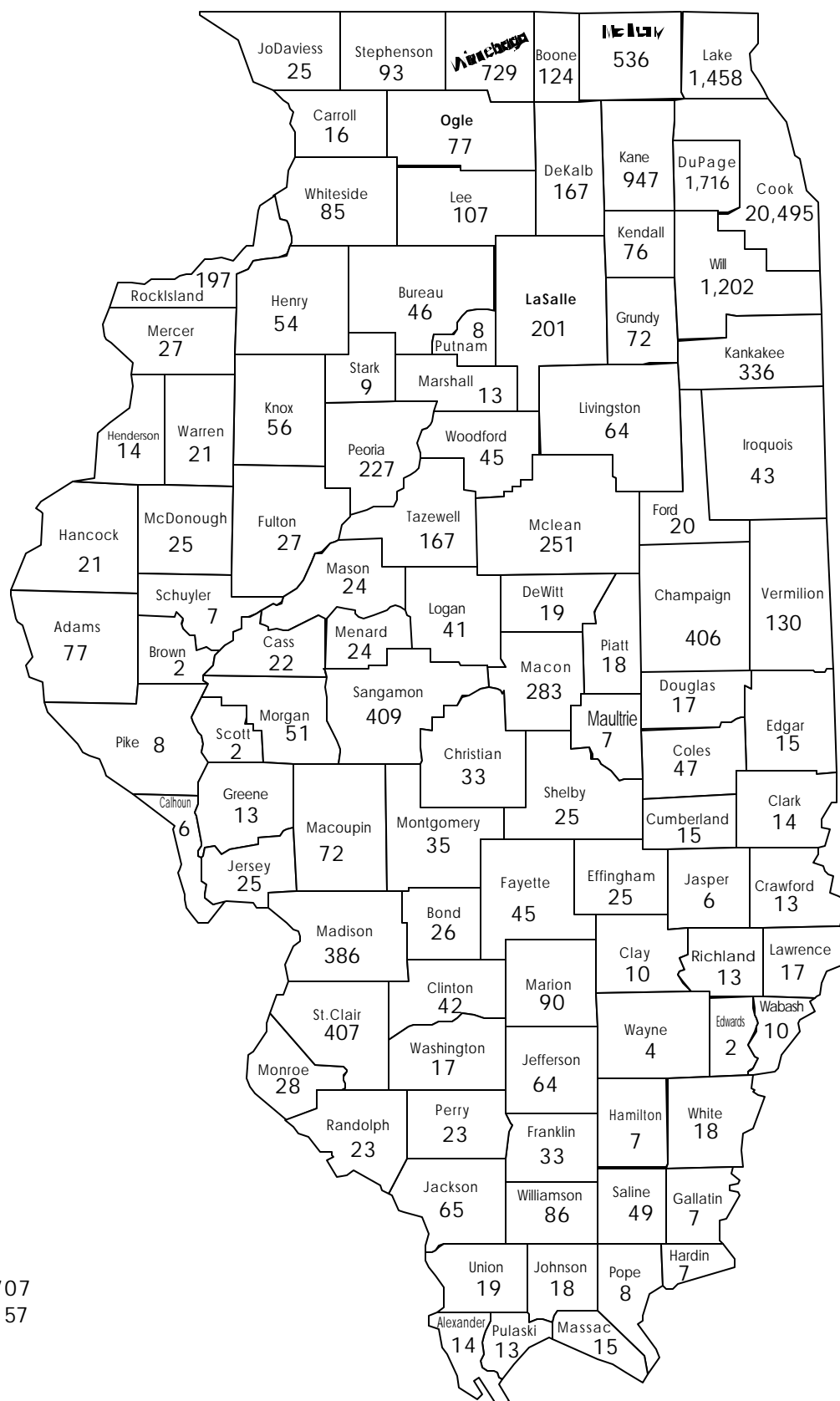


\*Includes contacts such as: fax, teletypewriter and visit.

Most of the 36,121 cases recorded (88%) began with a telephone call to our toll-free number. We received 2,278 letters. Contacts by electronic mail increased from 449 in 1999 to 1,282 cases in 2000; we expect that this source of contact will continue to increase significantly.

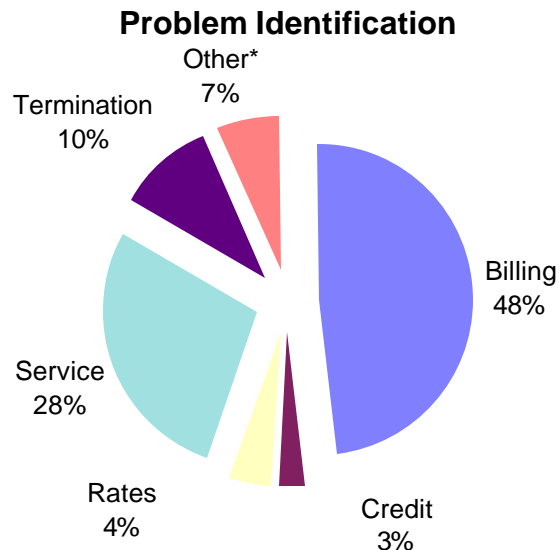
The map on the next page shows the number of contacts originating from each county in Illinois.

## Number of Contacts Originating from Each County in Illinois



```
NotSpecified=2,707
OutofState  =    57
```

Graph 3



\*Includes issues oriented contacts

Graph 3 represents the number of inquiries/complaints that were received during 2000, categorized by problem type. These categories include billing, credit/deposit, rates, service, termination, and other. This graph illustrates that 48% of the inquiries/complaints received related to the consumer's bill. CSD opened significantly fewer inquiries or complaints in the other categories.

Chart 1

TOP 10 INQUIRIES/COMPLAINTS	
Need payment arrangements (Billing)	3011
Accuracy of bill- responsibility for account (Billing)	2849
Seeking reconnection (Termination)	2374
Accuracy of bill- usage/consumption (Billing)	2166
Timeliness of performed service*- installation of new service/transfer	2120
Timeliness of performed service*- scheduling or repair (Service)	1444
Accuracy of bill- disputes rate class/plan (Billing)	1220
Timeliness of performed service*- reconnect/disconnect (Service)	1071
Accuracy of bill- meter (Billing)	1021
Other- issues oriented contacts	916

\*These numbers have increased due to service problems with Ameritech.

Chart 2

<b>MEANS OF RESOLVING INQUIRIES/COMPLAINTS</b>	
Information or explanation provided	22,412
Company compromised to settle	4,389
Company agrees to correct mistake or error	3,857
Referral to other agency or Division	729
Customer did not pursue	700
ICC had no jurisdiction	650
Complaint dismissed; groundless	517
Action initiated to correct problem	424
Pending long term utility action	402
Miscellaneous (resolution by means not on list)	272
Duplicate action by another counselor	257
CSD received carbon copy response	207
Company unresponsive	154
Meter tested; billing correct	94
Customer withdraws complaint	87
Formal hearing sought	74
Issue beyond time limit for complaint filing	40
Repeated Complaint	19
Mediation	15
Company does not have a certificate	5
<b>TOTAL</b>	<b>35,304</b>

During the calendar year 2000, CSD closed 35,304 cases. Although many of these cases were opened and closed during 2000 some were opened in 1999. After utilities research and reply to investigative complaints, CSD must review the response and contact the consumer with the outcome. This explains why investigative complaints opened late in the year are often closed the following year. Chart 2 shows the number of cases closed in 2000 by resolution category.

## **MEDIATION**

The Mediation program is available to consumers who weren't satisfied with the results of informal complaints against Ameritech, ComEd, or Peoples Gas. Mediation offers the customer and the utility a chance to meet to further discuss, clarify, and provide documentation to support their contentions without escalating the complaint to a formal proceeding. The Center for Conflict Resolution (CCR), a non-profit organization based in Chicago, mediates these cases at no charge to the consumer, the utility or the ICC. The mediation takes place in Chicago; therefore, as a practical matter, this option is not extended beyond the Chicago area.

Between January 1, 2000 and December 31, 2000, 54 complaints were referred to the Staff coordinator for mediation. These cases do not always proceed to mediation, the complaint may be settled, the company may refuse to mediate, or the customer may refuse mediation. This year 44 of the 54 cases referred by counselors to the mediation coordinator were not mediated.

Fifteen complaints actually proceeded to mediation. In these cases, 8 resulted in agreement, 2 did not result in agreement, and 5 were settled prior to the mediation session.

Customers who have been referred to mediation continue to have the option of filing a formal complaint. One of the 54 customers referred to the mediation coordinator filed a formal complaint.

## **FORMAL COMPLAINTS**

If a resolution is not reached through the informal process (including mediation), the consumer may file for a formal hearing. After the fully completed and notarized forms are submitted to the Commission, a hearing is scheduled. A Hearing Examiner presides over the case, which is similar to a court proceeding, considers testimony presented, reviews evidence and makes a recommendation to the Commissioners who render a decision.

The Consumer Services Division makes every effort to achieve resolution of disputes between customers and utilities in the informal process. Of the 36,121 contacts from consumers handled in the year 2000, just 74 customers requested formal complaint forms and 19 formal hearings were actually docketed. Eight of the 19 cases have already been dismissed by the Commission as having no merit, and the remaining 11 formal complaint cases from 2000 have not yet been completed. The 2000 formal complaint level is significantly lower despite the overall increased number of informal complaints.



## JUSTIFIED COMPLAINTS

Counselors evaluate cases to determine if correct procedures were followed by the company in responding to the consumer's complaint prior to CSD intervention. A case is justified when, in the counselor's judgement, the company did not handle the dispute properly or effectively, or in handling the dispute, the company violated rules, regulations, orders, tariffs, or policy. Cases that are evaluated are those in which contact with the company is initiated and can include 3-way and investigative cases. The following tables indicate the percentages of justified complaints for energy and telecommunications with 30 or more complaints (investigative and 3-way calling), and water/sewer with 10 or more complaints (investigative and 3-way calling). The following charts list the utilities by industry in descending order beginning with the highest percentage of justified complaints.

Chart 3

ENERGY COMPANIES	JUSTIFIED COMPLAINTS	TOTAL COMPLAINTS	JUSTIFIED COMPLAINTS PERCENT OF TOTAL
United Cities Gas	19	63	30%
ComEd	907	6459	14%
Peoples Gas	267	2406	11%
Ameren UE	5	63	8%
NICOR Gas	83	1025	8%
North Shore Gas	6	70	8%
Ameren CIPS	7	124	6%
Illinois Power	23	376	6%
CILCO	5	123	4%

LOCAL EXCHANGE CARRIERS	JUSTIFIED COMPLAINTS	TOTAL COMPLAINTS	JUSTIFIED COMPLAINTS PERCENT OF TOTAL
MCI/WorldCom	27	75	36%
Ameritech	2016	6991	29%
McLeod	48	194	25%
AT&T	109	500	22%
Corecomm	6	30	20%
21 <sup>st</sup> Century	88	431	20%
MGC	8	41	19%
Midwestern	63	475	13%
Gallatin River	5	40	12%
Verizon	41	455	9%

<b>LOCAL TOLL CARRIERS</b>	<b>JUSTIFIED COMPLAINTS</b>	<b>TOTAL COMPLAINTS</b>	<b>JUSTIFIED COMPLAINTS PERCENT OF TOTAL</b>
AT&T	15	67	22%
Ameritech	9	46	19%

<b>LONG DISTANCE CARRIERS</b>	<b>JUSTIFIED COMPLAINTS</b>	<b>TOTAL COMPLAINTS</b>	<b>JUSTIFIED COMPLAINTS PERCENT OF TOTAL</b>
AT&T	144	960	15%
Qwest	7	51	14%
MCI/WorldCom	46	360	13%
Sprint	6	67	9%

<b>WATER/SEWER COMPANIES</b>	<b>JUSTIFIED COMPLAINTS</b>	<b>TOTAL COMPLAINTS</b>	<b>JUSTIFIED COMPLAINTS PERCENT OF TOTAL</b>
Citizens Utilities	1	13	8%
Consumers IL Wtr.	3	62	5%
Illinois-American	1	18	5%

Water/Sewer Companies were comparable to last year. This year ComEd, Peoples Gas, NICOR Gas, North Shore Gas and Illinois Power all decreased in the number of justified complaints. In addition, Ameren UE, Ameren CIPS and CILCO all increased in the number of justified complaints.

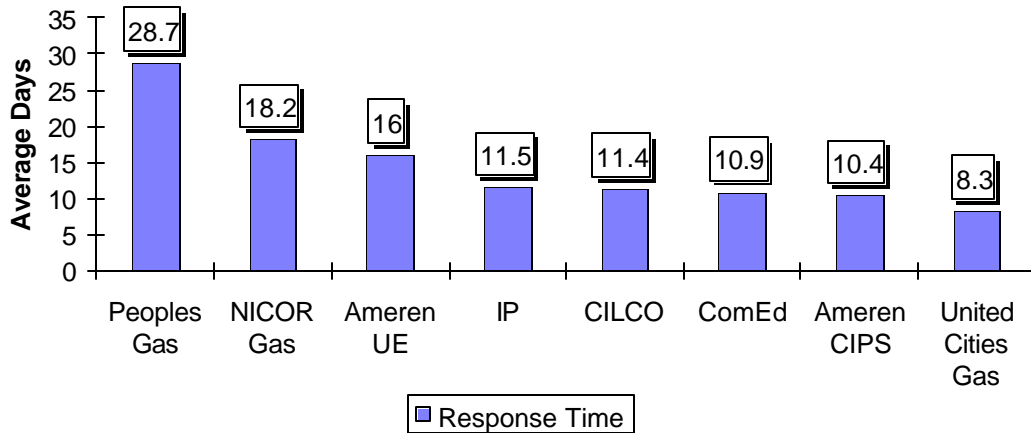
The number of justified complaints for all local exchange and local toll carriers increased this year. The number of justified complaints for long distance with Sprint decreased this year. The long distance carriers; AT&T, Qwest and MCI/Worldcom all increased in the number of justified complaints.

## RESPONSE TIME

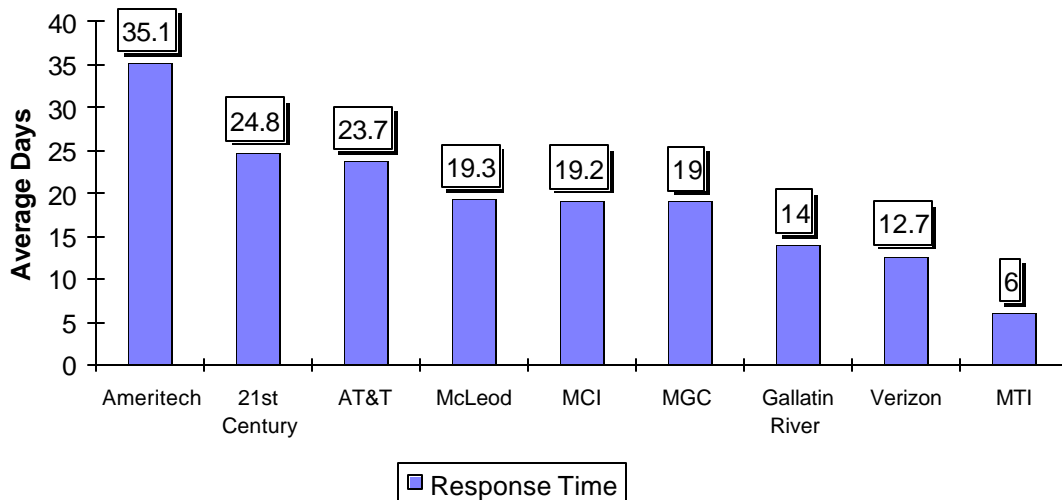
The following graphs show average response times for energy and telecommunications companies that received 25 or more investigative complaints and water companies with 10 or more investigative complaints during 2000. Investigative complaints are those which are not suited to or not resolved through 3-way calling and are presented to the utility for investigation.

Graph 4

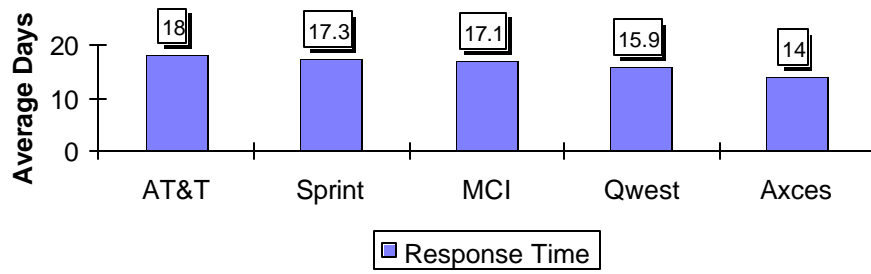
### Average Response Time for Energy Companies



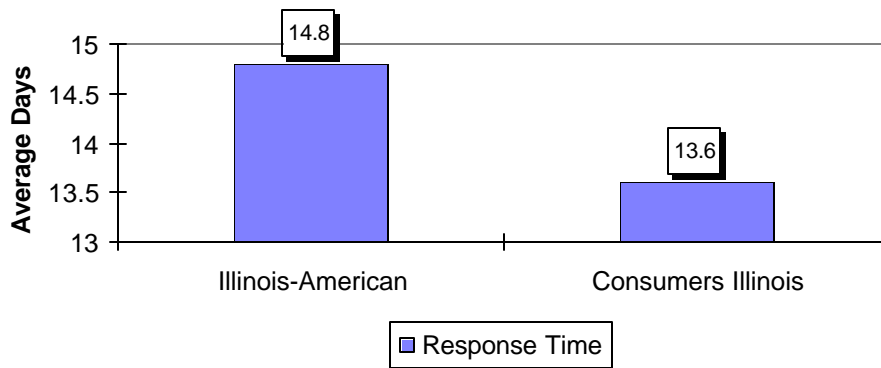
### Average Response Time for Local Exchange Carriers



**Average Response Time for Long Distance Carriers**



**Average Response Time for Water Companies**

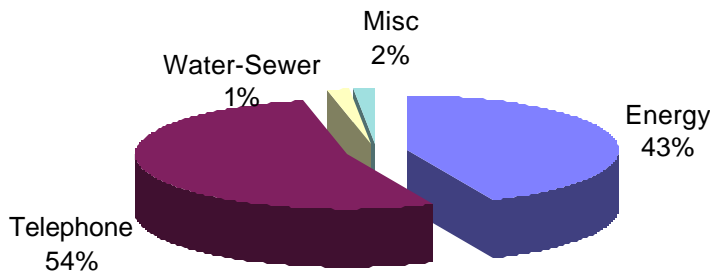


## REVIEW OF INQUIRIES/COMPLAINTS DATA BY INDUSTRY

This section addresses and highlights trends in the numbers and types of inquiries and complaints for each industry. CSD categorizes the inquiries/complaints it receives according to the following industries: telephone, energy, water/sewer and miscellaneous.

Graph 5

### 2000 Inquiries/Complaints by Utility Type

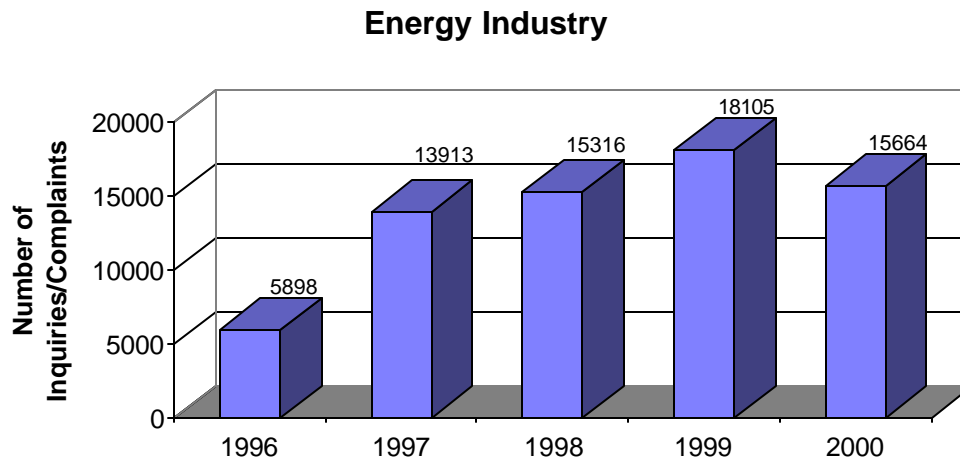


Graph 5 shows the inquiries/complaints by utility type for 2000. Telephone inquiries/complaints comprise 54% of the total number received during 2000; significant technological changes and deregulation in the industry account for much of the volume. Combining gas and electric results in 43% of the total inquiries/complaints attributed to the energy industry. The water/sewer industry accounts for 1% of the inquiries/complaints. The miscellaneous category includes companies such as pipeline and cellular.

The following pages will focus on three industries: energy (gas/electric combined), telephone and water/sewer. This section includes a five-year tracking of the number of inquiries/complaints by industry. Also included by industry are graphs comparing the number of complaints/inquiries by utility. The number of contacts by category are shown in charts for each industry. Note that all contacts recorded by counselors are included.

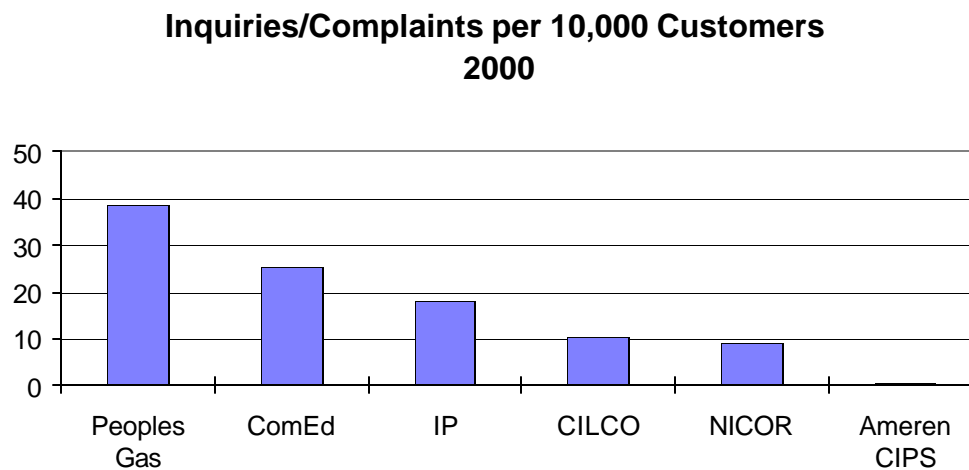
## ENERGY INDUSTRY

Graph 6



Graph 6 shows the number of inquiries and complaints that were received each year by CSD for the electric and gas companies from 1996 through 2000.

Graph 7



Graph 7 illustrates the number of inquiries/complaints received per 10,000 customers for the major companies in the energy industry.

Chart 4

<b>2000 ENERGY INQUIRIES/COMPLAINTS FOR SMALLER COMPANIES (ELECTRIC AND GAS)</b>		
<b>Company</b>	<b>Customers*</b>	<b>Complaints</b>
Ameren UE	62,400	107
United Cities Gas	25,600	84
Midamerican	84,000	34
Interstate	11,100	8
Mt. Carmel	5,600	5
Illinois Gas	10,300	4

\*Estimated Number

Chart 4 represents companies with less than 100,000 customers.

## ENERGY INDUSTRY CONTACTS

Chart 5

BILLING	CONTACTS
Payment Arrangement	2,931
Responsibility for Account	1,523
Usage/Consumption	1,449
Meter	1,005
Payment- Other	461
Bill/Statement	361
Payment Posting Problem	312
Accuracy	311
Repair/Service	60
Tampering	53
Extension/Installation Dispute	7
<b>SUBTOTAL</b>	<b>8,473</b>

CREDIT/DEPOSIT	CONTACTS
Deposit Requirement	391
Service Denial	218
Deposit Amount/Conditions	126
Deposit Administration	84
Other	32
<b>SUBTOTAL</b>	<b>851</b>

RATES	CONTACTS
Rate Structure	194
Opinion - Rate in Effect	127
Inquiry	107
Proposed Rate Change	7
<b>SUBTOTAL</b>	<b>435</b>



<b>SERVICE</b>	<b>CONTACTS</b>
Timeliness of Reconnection/Disconnection	764
Conduct of Personnel	665
Timeliness - General	572
Interruptions	238
Service Quality	165
Safety	69
Extension/Availability	57
Equipment Problems	56
<b>SUBTOTAL</b>	<b>2,586</b>

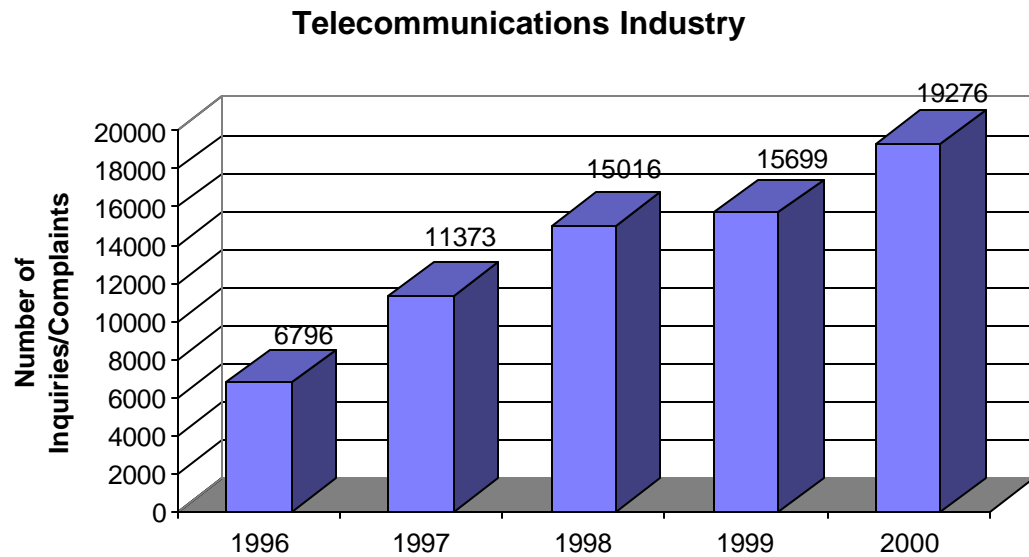
<b>TERMINATED/SEEKING RECONNECTION</b>	<b>CONTACTS</b>
Seeks Assistance	1,761
Other	197
Questions Regarding Procedures	186
Medical Certificate	122
Terminated in Error	64
Disputed Bill/Deposit	47
Tampering	38
<b>SUBTOTAL</b>	<b>2,415</b>

<b>OTHER</b>	<b>CONTACTS</b>
Issues Oriented Contacts	747
No Jurisdiction	105
<b>SUBTOTAL</b>	<b>852</b>

**TOTAL NUMBER OF ENERGY CONTACTS:  
15,612**

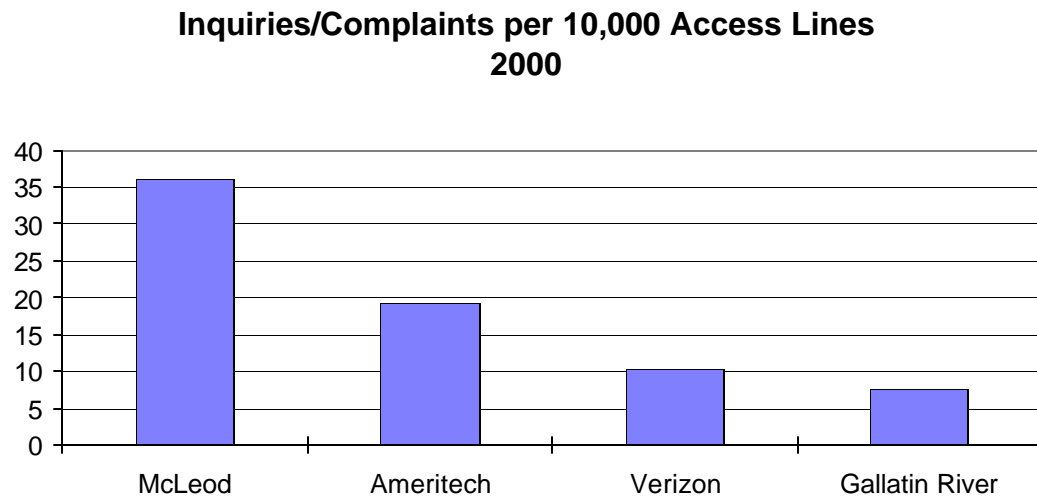
## TELECOMMUNICATIONS INDUSTRY

Graph 8



Graph 8 shows the number of inquiries and complaints that were received each year by CSD for the telephone industry from 1996 through 2000.

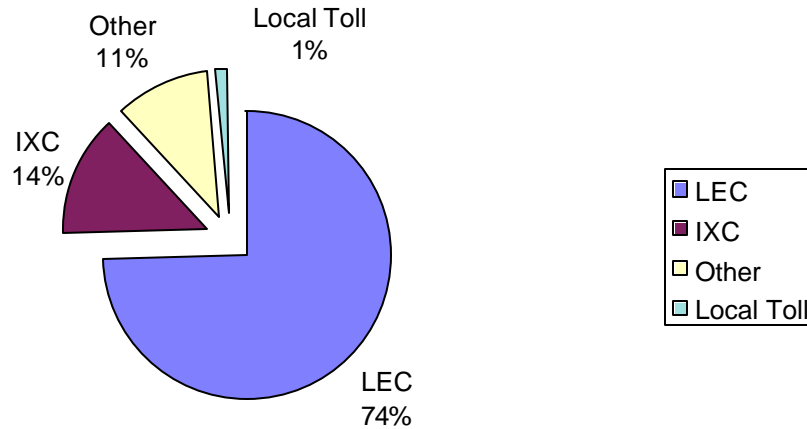
Graph 9



Graph 9 illustrates the number of inquiries and complaints per 10,000 access lines that were received for major local exchange carriers for 2000. Access lines include the number of residential and business phone lines used.

Graph 10

**2000 Telecommunications Inquiries/Complaints by  
Company Type**



Definitions for the above graph:

**LEC** - Local Exchange Carrier - a company that provides local exchange service

**Local Toll** - local calls that are made to locations outside the local exchange boundary, but within the Market Service Area (MSA) otherwise known as the Local Access Transport Area (LATA)

**IXC** - Inter-Exchange Carrier - a company that provides service between exchanges and between Market Service Areas (MSAs), also known as the Local Access Transport Areas (LATAs)

**Other** - includes Cellular/Mobile, Provider Additional Service, Competitive Access Provider and Telephone

## TELECOMMUNICATIONS INDUSTRY CONTACTS

Chart 6

<b>BILLING</b>	<b>CONTACTS</b>
Payment Arrangements	1,418
Responsibility for Account	1,276
Dispute - Rate Classification /Plan	1,064
Usage/Consumption	707
Bill Statement	641
Accuracy - General	631
Disputed Bill by Other Company	489
Bill for Feature not Ordered (cramming)	483
Posting Problems	361
Payment - General	348
Repair/Service	228
Extension/Installation Dispute	16
<b>SUBTOTAL</b>	<b>7,662</b>

<b>CREDIT &amp; DEPOSIT</b>	<b>CONTACTS</b>
Service Denial	107
Deposit Administration	24
Deposit Amount/Conditions	10
<b>SUBTOTAL</b>	<b>141</b>

<b>RATES</b>	<b>CONTACTS</b>
Rate Structure	393
Rate Inquiry	277
Opinion of Rate in effect	190
Proposed Rate Change	16
<b>SUBTOTAL</b>	<b>876</b>

<b>SERVICE</b>	<b>CONTACTS</b>
Timeliness of Performed Work	4,374
Quality	787
Poor Performance by Utility Personnel	578
Availability of Features & Equipment	410
Service Interruptions	330
Unauthorized Change of Service (slamming)	276
Conduct of Billing Agents/Outside Contractors	195
Equipment Problems	189
Service Extensions	23
Safety	14
<b>SUBTOTAL</b>	<b>7,176</b>

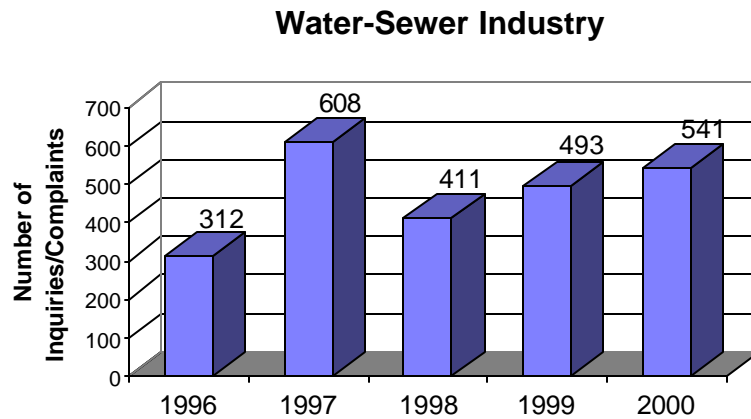
<b>TERMINATED/SEEKING RECONNECTION</b>	<b>CONTACTS</b>
Seeks Assistance	587
Disputes	287
Questions Regarding Procedures	175
Medical Certificate	90
<b>SUBTOTAL</b>	<b>1,139</b>

<b>OTHER</b>	<b>CONTACTS</b>
Issues Oriented Contacts	1,232
No Jurisdiction	250
<b>SUBTOTAL</b>	<b>1,482</b>

**TOTAL NUMBER OF TELECOMMUNICATIONS  
CONTACTS: 18,476**

## WATER & SEWER INDUSTRY

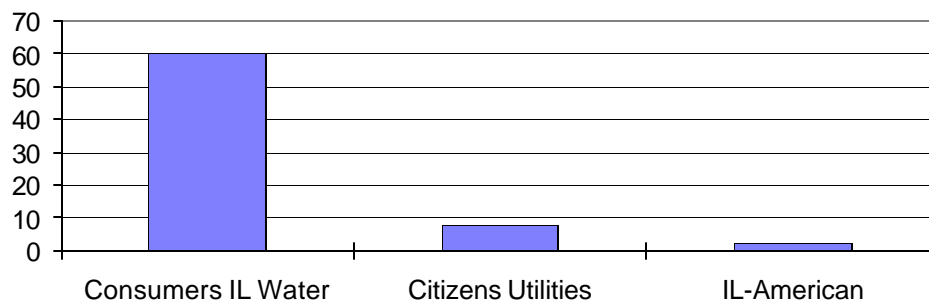
Graph 11



Graph 11 shows the number of inquiries/complaints that were received each year by CSD for the water/sewer industry from 1996 through 2000.

Graph 12

### Inquiries/Complaints per 10,000 Customers 2000



Graph 12 illustrates the number of inquiries and complaints per 10,000 customers that were received for the major companies in the water/sewer industry for 2000. The spike in Consumers Illinois Water contacts was due to a rate increase.

## WATER & SEWER INDUSTRY CONTACTS

Chart 7

<b>BILLING</b>	<b>CONTACTS</b>
Payment Arrangements	37
Usage/Consumption	29
Accuracy	21
Responsibility for Account	13
Payment/Billing General	12
Bill Statement	12
<b>SUBTOTAL</b>	<b>124</b>

<b>CREDIT &amp; DEPOSIT</b>	<b>CONTACTS</b>
Service Denial	3
Deposit Requirement	2
<b>SUBTOTAL</b>	<b>5</b>

<b>RATES</b>	<b>CONTACTS</b>
Proposed Rate Change	212
Opinion-Rate in Effect	46
Rate Inquiries	11
Rate Structure	3
<b>SUBTOTAL</b>	<b>272</b>

<b>SERVICE</b>	<b>CONTACTS</b>
Service Quality	10
Conduct of Personnel	10
Equipment Problems/Safety/Interruption	7
Timeliness of Performed Service	6
Service Extension/Availability	3
<b>SUBTOTAL</b>	<b>36</b>

<b>TERMINATED/SEEKING RECONNECTION</b>	<b>CONTACTS</b>
Seeks Assistance	20
Miscellaneous	8
Questions Regarding Procedures	7
Medical Certificate	1
Disputed Bill or Deposit	1
<b>SUBTOTAL</b>	<b>37</b>

<b>OTHER</b>	<b>CONTACTS</b>
No Jurisdiction	43
Issues Oriented Contacts	23
<b>SUBTOTAL</b>	<b>66</b>

**TOTAL NUMBER OF WATER AND  
SEWER CONTACTS: 540**



## ACTIVITIES AND ISSUES

### CONSUMER OUTREACH & EDUCATION

Consumer Services anticipates that its role in consumer outreach and education will expand as the utility industry changes; we look forward to the challenge. Currently, the ICC's CSD conducts meetings associated with rate increase requests of small water companies when community interest is expressed. The Staff is also available to witness meter tests performed by utilities and to make presentations on various consumer and regulatory matters to consumer groups. To keep abreast of consumer issues and concerns, CSD Staff is represented on the Chicago Energy Council, the Department of Commerce and Community Affairs Policy Advisory Council and the National Association of Regulatory Utility Commissioners (NARUC) Subcommittee on Consumer Affairs.

#### ***Public Forums***

A member of Consumer Services Division Staff participated with representatives of other state agencies in public meetings held in Rockford, Waukegan, Chicago Ridge, Chicago, Carterville, and Decatur. Governor Ryan called for these regional meetings to be held across the state to educate the public about the state services available to help families cope with high energy costs this winter.

#### ***Customer Information***

The Illinois Commerce Commission has developed a series of publications for consumer education and outreach. Our brochure, "It's Time to Get Plugged In", is a consumer's guide to electric service restructuring in Illinois. Information includes what is changing, what consumers will be choosing, when options will be available, and a glossary of key terms. Dramatic increases in natural gas prices led to our publication of "Understanding Natural Gas Prices" and "Natural Gas Energy Saving Tips". Topics discussed in other publications include using phones away from home, maximum rates allowed for operator service providers, "900" numbers, and resolving utility problems. A complete list and description of these publications can be found at the end of this document.

These publications and other useful customer information are available through the Commission's web site at: [www.icc.state.il.us](http://www.icc.state.il.us) In increasing numbers, consumers access the Internet on a daily basis, Consumer Services Division contributes to updating and expanding the site. Portions of the Consumer Services Section of the Commission's web site have been translated into Spanish. Making information conveniently and easily accessible to consumers 24 hours a day is part of CSD's goal of a comprehensive, interactive and "user-friendly" web site. Consumers are able to navigate from the home page, which contains separate areas/headings for electric, natural gas, telecommunications and other utility services.

Regulatory information including Commission rules and other documents are available through the Commission's web site. Administrative Code Part 280 provides detailed procedures for electric, gas, water and sewer utilities governing eligibility for service, deposits, payment practices and discontinuance of service; Administrative Code part 735 establishes procedures for telecommunications carriers. This information can be accessed at: [www.icc.state.il.us/icc/doclib/rules.asp](http://www.icc.state.il.us/icc/doclib/rules.asp)

In 2000, Consumer Services Staff developed and implemented a survey to determine the level of satisfaction among the consumers who contact our office. This written survey was sent out to a randomly chosen group of customers. The survey questions addressed promptness of answer, knowledge, courtesy and overall satisfaction. The survey results were very positive, with over 80% of the responses indicating overall satisfaction.

## **ELECTRIC RESTRUCTURING IN ILLINOIS**

The Commission continues efforts to implement the Electric Service Customer Choice and Rate Relief Law of 1997 (P.A. 90-561). CSD Staff has been involved in many rulemakings and other endeavors to implement this law. The following is a synopsis of the major proceedings during 2000.

### ***Consumer Education Program***

Details about the Consumer Education Program can be found in the **Consumer Programs** section of this report.

### ***Delivery Services Tariffs***

Historically, customers have paid the utility a single "bundled price" for electricity. This price included all of the costs associated with generating, transmitting and distributing power. Electric restructuring allows eligible customers to choose who provides the generation portion. The incumbent utility will continue to deliver the electricity to the customer, this service is referred to as the "delivery services" portion of the customer's electric service. To offer the necessary service, new prices, terms and conditions had to be developed and approved. Delivery Services Tariffs were approved for each company in 1999. In preparation for the implementation of residential delivery services in May 2002 Staff met with all utilities concerning the filing of revised or additional delivery services tariffs to accommodate residential customers. AmerenCIPS and AmerenUE filed their revised tariffs in December 2000 (Docket No. 00-0802). It is expected that the other utilities will file by June 2001.

### ***Delivery Services Tariff Uniformity***

The Commission initiated a proceeding (Docket No. 00-0494) to determine what, if any, changes should be ordered to promote statewide uniformity. As a result of the workshop process, the parties agreed on a number of items that were contained in an Interim Order in this docket. Other issues were litigated during the hearing process. A final order in this docket is expected in the spring of 2001.

### ***Meter Service Providers***

As a part of the Commission's docket (99-0013) on Unbundling Delivery Services, it was determined that metering services should be unbundled and opened to competitive providers. The competitive providers are known as "Meter Services Providers (MSPs)." A rule was developed and became effective December 15, 2000. The rule addresses the responsibilities of MSPs and the filing requirements for MSP certification.

### ***Electric Reliability Survey***

This year, for the first time, a random group of electric customers were surveyed by their utility. Each electric utility or alternative retail electric supplier owning, controlling, or operating transmission and distribution facilities and equipment was required to conduct a customer survey. This survey, done by phone, asked customers to rate the company on reliability, tree trimming, service quality and pricing among other topics of interest. Survey results will be provided in each company's annual report.

### ***Energy Assistance Program Design Group***

The legislation includes an amendment to the Energy Assistance Act of 1989 which created the Energy Assistance Program Design Group and charged it with advising the General Assembly with respect to designing a low income energy assistance program for the period beginning on July 1, 2002. The working group comprises: legislators; designees from certain state agencies; consumers --low-income, residential, commercial and industrial; public utilities; municipal utilities; and cooperatives. The Illinois Commerce Commission is represented on this group by a CSD Staff member.

### ***Revision of Electric Standards of Service***

The revision of 83 Ill. Adm. Code Part 410, Standards of Service for Electric Utilities, became effective on December 15, 2000. These regulations were revised to incorporate the concept of Meter Service Providers (MSPs) and Alternative Retail Electric Suppliers (ARES) as well as to generally update the rule. CSD participated in many of the workshops and specifically addressed the issues of Call Center Standards, Corrections and Adjustments for Meter Error, and Information to Customers. As a result of this docket bills sent by ARES must conform to the same standards as electric utilities.

## **PILOT PROGRAMS OFFERED BY UTILITIES**

### ***Illinois Power, Nicor Gas and ComEd***

During the winter of 1999-2000 Illinois Power Company, Nicor Gas and ComEd implemented various arrearage reduction programs to help Low Income Home Energy Assistance Program (LIHEAP) customers pay off outstanding utility bills. The programs were set up in various ways, but all involved contributions from the utility and the Illinois Department of Commerce and Community Affairs (DCCA). The contributions were credited to the customer's account after the customer had made payments according to each utility's program design.

### ***Peoples Gas***

The "Customer Choice" Pilot Program continued from November 1997 until June 30, 2000. In May 2000, Peoples Gas filed a tariff to make Customer Choice permanent; the Commission approved that filing. The program offers small commercial and industrial customers throughout Peoples service territory to buy their gas supply from a number of established non-utility marketing firms.

### ***NICOR Gas***

In January 1998 Nicor Gas began a three-year natural gas pilot program "Customer Select", that would run through April 30, 2001. This program allows customers to choose their natural gas supplier. The program was phased in beginning with certain commercial and industrial customers and expanded to all non-residential customers and 83,000 residential customers by March 2000.

On August 11, 2000, Nicor Gas filed a request with the ICC to expand Customer Select to all business and residential customers. The ICC suspended the filing and set the matter for hearings. The Commission subsequently approved an additional filing which would continue the pilot in the current manner until the ICC hearing process was completed.

Regardless of whether a customer decides to participate in the program, Nicor Gas continues to deliver the gas, read meters, and maintain its pipeline system. During the pilot, customers are allowed to return to Nicor Gas without any charge from Nicor, however they may be subject to penalties from their alternative supplier, depending on the terms of the contract.

### ***AmerenUE***

In cooperation with the Department of Commerce and Community Affairs, AmerenUE instituted a two-year pilot program in 1999 to introduce and evaluate the PayGo program. The program is designed to encourage timely payments, eliminate "utility disconnections" for non payment and offer an arrearage reduction component while increasing energy usage awareness. This program utilizes pay-

as-you-go meters. The pay-as-you-go meter operates through the use of a magnetic stripe card. The customer purchases a designated amount of energy from a point-of-sale location, similar to prepaid telephone cards. The energy amount purchased is encoded on the magnetic strip on the card. The card is then inserted into the home display device that operates the meter until the purchased amount of energy is exhausted. The in-home device provides information which allows the customer to learn about energy usage and learn to control appliances to reduce usage. For every 6 months of program participation, the customer's arrearage is reduced by 25%. This program is scheduled to terminate in the fall of 2001.

## **TELECOMMUNICATIONS ISSUES AND ACTIVITIES**

### ***New Local Exchange Carriers (CLECs)***

During 2000, 104 petitions were filed by companies seeking Commission certification to provide local exchange service, through resale or facilities based service. CSD Staff has participated in all of the "new LEC" proceedings through testimony or cross examination. CSD's interest in these cases is to ensure that the new service providers meet the requirements of the ICC rules, including the solicitation, collection and remittance of monies for the various programs. The rules which fall within the purview of the Consumer Services Division deal with Teletypewriter (TTY) distribution; telecommunications relay service; telephone assistance programs; service quality; presubscription, credit, billing and termination of telephone service; pay-per-call services, and preservation of telephone company records. To date, a total of 400 petitions have been filed with the Commission.

### ***Revision to Illinois Administrative Code Part 730 (Docket 98-0453)***

The 83 Illinois Administrative Code Part 730 prescribes the standards of service for telephone utilities. Revisions to Part 730 were approved by the Commission and became effective September 1, 2000. Business and repair call center answer times were established, along with annual reporting requirements for number of calls received, answered and abandoned.

On September 7, 2000, the Commission, on its own motion, opened Docket 00-0596, to revise and further define telephone service quality standards. Four workshops have been conducted and an evidentiary schedule has been established.

### ***Alternative Regulation***

Our Staff participated in Ameritech's Alternative Regulation Plan in Docket 98-0252/98-0335/00-0764 (Consolidated). Staff's case included the revision of existing and the establishment of some new service quality standards and benchmarks. Additionally, Staff proposed removing service quality from the price

cap index and provide direct compensation to consumers who have experienced poor service quality. A final order is pending.

### ***Reorganization and Mergers***

Our Staff participated in cases pertaining to the reorganization of the asset sale of GTE North Incorporation and GTE South Incorporated to Citizens Telecommunications Company of Illinois (Docket No. 00-0187); the reorganization of Citizens Communications Company, Global Crossing North America, Inc. and the Frontier Communication Companies (Docket No. 00-0552); and the reorganization of Illinois Consolidated Telephone Company (Docket No. 00-0641). Staff activities included a review of petitions and data requests and the offering of written and oral testimony to ensure that the purchase of assets and reorganization would not diminish the utilities' ability to provide service.

### ***Miscellaneous Dockets***

Staff participated in Docket No. 00-0043, Citizens Utility Board vs. Ameritech Illinois, a complaint to stop Ameritech from using misleading marketing and advertising materials and statements concerning Simplifive and CallPak rates. Staff recommended that Ameritech be ordered to cease and desist its deceptive practices and provide customers with information to facilitate wise selection of telecommunications services. Specifically, Staff recommended that Ameritech be required to make detailed disclosure of the terms and conditions that determine the cost of its services, along with the disclosure of the ancillary costs that customers will incur by selecting the services; and that Ameritech be required to inform customers of their purchase options before attempting to sell optional calling plans.

In Docket 00-0528, Illinois Consolidated obtained Commission approval to discontinue extended area service (EAS) between its Charleston and Ashmore Exchanges. Staff's participation ensured that customers were properly educated about the impact of the switch prior to its implementation.

Staff opposed the certification of FreedomStarr Communications, Inc., in Docket No. 99-0678, as a telephone company in Illinois. The company did not possess sufficient managerial and financial resources and abilities to provide resold interexchange telecommunications service.

Staff is monitoring SBC/Ameritech merger conditions set forth in Docket No. 98-0555, and is actively participating in the conditions establishing the Community Education Fund and the Community Technology Fund. Additionally, Staff accepted and Ameritech implemented the FCC merger conditions pertaining to Enhanced Lifeline Plans.

Verizon North and South also offered an Enhanced Lifeline Plan to the Commission pursuant to an FCC merger condition. Staff is working with the company on program specifics.

## **Issues Affecting Consumers**

### ***Area Codes***

Area code changes did not affect Illinois customers during 2000. The innovative steps that our state took to conserve numbers in the 847 area code have significantly delayed the need to implement the new 214 overlay code and its attendant 11 digit dialing. However, during 2000 there were several developments which may affect Illinois phone consumers in the future. Two area codes – 815 and 618 – became the subject of new formal cases regarding their potential exhaust of available numbers and the need for new codes to accommodate this exhaust. In addition, the Illinois Attorney General's Office and the Citizens Utility Board brought a case before the Commission in 2000 for the purpose of mandating number conservation measures in two of the state's other area codes – 309 and 217. All three of these formal cases have not yet been decided. More details on the topic of area codes in Illinois may be accessed at: <http://www.icc.state.il.us/icc/tc/doc.asp#ac>

### ***Classification of Calling Areas***

Counselors provided consumers with information on the three basic types of direct dial telephone calling services – local services, local toll or intra-LATA, and long distance or inter-LATA. Many consumers have the misconception that area codes and geographical community borders always define their calling areas. In certain instances, this may be true. However, Illinois contains 18 different LATAs (Local Access and Transport Areas), and it is these borders which more accurately define a consumer's calling areas.

### ***Rates and Calling Plans***

In helping consumers consider options, CSD advises customers to examine their own patterns of usage and needs when considering potential changes to their services. We suggest getting details in writing when shopping for services, as disputes may arise when salespersons' promises do not match the actual company rates or product.

### ***Slamming and Cramming***

Similar to last year's annual report, CSD recorded declining numbers in both slamming (unauthorized changes in a customer's pre-subscribed carrier(s)) and cramming (unauthorized recurring charges for services that the customer did not want). The FCC finalized its revised slamming rules in 2000, and provided for the individual states to choose whether or not they would "opt-in" to administer those rules. The FCC administers the rules themselves for consumers in states where no government body has chosen to opt-in. The ICC has chosen to monitor the initial months of the process before making any decision on exercising its ability to opt-in.



### ***Verizon Improvements and Territory Sales***

After GTE completed its merger with Bell Atlantic, the newly formed company named Verizon began a series of improvements for its Illinois customers. These included local calling **rate reductions** and an **expansion of the extended local calling areas** for customers. The changes in local calling areas roughly approximate to a 15 mile radial expansion for communities served by Verizon. The company is currently in the process of bringing about these changes in a series of “waves” which include portions of its service territories.

In addition to the rate reductions and local calling area expansions, Verizon offered several of its service territories in Illinois for sale. A telecommunications company that is new to Illinois, **Citizens Communications Company**, agreed to purchase these territories and began serving customers late in 2000. The rate reductions and local calling area expansions undertaken by Verizon have not been extended to the customers who are now served by Citizens Communications Company.

### ***Customer Service***

The basic job of taking care of a customer with an inquiry or complaint became a very significant issue in 2000, especially for **Ameritech**. Customers contacted CSD in record numbers to voice their displeasure with the quality of care that was afforded to them when they attempted to reach their provider of service. Customers voiced concerns over the amount of time spent on hold to reach a live person. Additionally, customers asserted that once they did reach a service representative, they sometimes received poor responses.

### ***Service Installations and Repairs***

Along with the sharp climb in customer service issues experienced by consumers, installations of service and repairs for Ameritech customers were two very serious problems in 2000. Consumers reported difficulties in scheduling repairs and installations as well as various failures by field personnel in either completing the job properly or the in the timeliness of their service call.

### ***Digital Subscriber Lines***

2000 saw a dramatic rise in the number of inquiries and complaints received by CSD on the topic of DSL. Problems reported to CSD included: lack of availability, installation delays, service outages and conflicts between marketing promises and the actual service. Digital services are a relatively new territory for consumer complaints and inquiries, and they often involve parties such as Internet Service Providers (ISPs) whose services are not regulated by the ICC.

## **CONSUMER PROGRAMS**

### **CONSUMER EDUCATION PROGRAM (Electric Restructuring)**

In crafting the law that restructures the electricity industry in Illinois, lawmakers recognized that consumers would need meaningful information allowing them to evaluate goods and services offered by new marketers and sellers. The law required the Commission to implement and maintain a consumer education program to provide residential and small commercial retail customers with information to help them understand their service options in a competitive electric services market, as well as their rights and responsibilities. As required by Section 16-117 of the Public Utilities Act, a working group formed by the Commission created educational materials to be distributed to electric customers.

In Illinois, electric choice is being implemented in phases. As of December 31, 2000 all non-residential customers became eligible. Residential customers will be eligible beginning May 1, 2002. Utilities and Alternative Retail Electric Suppliers (ARES) are required to send the Commission approved bill insert in their first mailing to potential customers or prior to executing an agreement or contract with a customer. The Commission also approved an implementation plan to conduct targeted media relations activities together with grassroots outreach focused on small commercial electricity customers. In addition, a video, a media kit and public service announcements were developed. Through speaking engagements and media interviews, the Commission's Chairman, Commissioners, and Executive Director have contributed to the outreach efforts of the campaign. The Commission maintains a consumer education web site at: [www.icc.state.il.us/pluginillinois](http://www.icc.state.il.us/pluginillinois) where consumers can access the approved material and other pertinent information including a list of certified suppliers.

### **CONSUMER EDUCATION FUND (Telecommunications)**

The Consumer Education Fund (CEF) and the CEF Committee were established by the Illinois Commerce Commission as part of its approval of the merger of Ameritech and SBC Communications in October 1999. The Committee consists of representatives from the Illinois Commerce Commission, Citizens Utility Board, the Illinois Attorney General's Office, the Cook County State's Attorney's Office, and Ameritech Illinois. Funding for this educational effort is provided by Ameritech. The CEF Committee's mission is to help Illinois consumers understand their options, rights, and responsibilities in the telecommunications market. The Committee published a brochure *Telephone Choices* which is available from its web site at: [www.consumereducationfund.org](http://www.consumereducationfund.org) Results of a survey conducted for

the CEF Committee will be used to develop material that will be released in connection with educational campaign in fall of 2001.

### **TELETYPEWRITER DISTRIBUTION AND TELECOMMUNICATIONS RELAY SERVICE**

The Commission designed and implemented a program whereby the local exchange carriers (LECs) provide a Teletypewriter (TTY) to persons with hearing and speech disabilities, or organizations whose primary purpose is serving persons with hearing and/or speech disabilities. The local exchange carriers provide a telecommunications relay service (TRS), which links people who use a TTY and people who use a standard telephone. There is a surcharge assessed from each subscriber line to offset the costs incurred by the local exchange carriers. The Commission ordered the line charge to be lowered to 10 cents and 1 cent for centrex in May 2000.

The TTY distribution program and relay center are administered by the Illinois Telecommunications Access Corporation (ITAC), a not-for-profit corporation which includes all the LECs in Illinois. An Advisory Council comprised of 7 members who are users of the TTY and TRS provide input to ITAC as well as to the Commission Staff Liaison.

Since the program's inception in November 1988, 7,638 TTYs have been distributed. Among the recipients of these devices, 72 not-for-profit organizations have benefited from this program. TRS service was transitioned from AT&T to Sprint this year. During 2000, over 1.4 million calls were completed through the relay system, and 378 TTYs were distributed through 18 centers located throughout the state. ITAC distributed 6 TTYs with a large visual display this year, bringing the total to 186. There were no telebraille machines distributed this year. Since the inception of the program 20 telebrailles have been distributed.

### **UNIVERSAL TELEPHONE ASSISTANCE PROGRAM (UTSAP)**

The Telecommunications Act of 1996 directed the FCC to take the necessary steps to establish support mechanisms to ensure the delivery of affordable telecommunications service to all Americans, including low-income consumers. On May 7, 1997, the FCC issued an order that required states to implement Link Up and Lifeline Programs by January 1, 1998.

The Universal Telephone Assistance Corporation ("UTAC") and the Commission Staff worked diligently to revise 83 Illinois Administrative Code Part 757,

“Telephone Assistance Programs” to incorporate the newly designed Link Up and Lifeline Programs.

Link Up is a federally funded program that assists households by paying 50% (up to \$30) of the cost of installing local telephone service in their principal place of residence. Lifeline is a federally funded program that provides from \$6.00 to \$7.47 towards the monthly charge for local telephone service.

The Universal Telephone Service Assistance Program (“UTSAP”), funded by voluntary contributions from Illinois telephone consumers, provides supplemental assistance to individuals who receive assistance from the Link Up program. In addition to the 50% waiver, \$10 assistance was applied to the consumer’s installation charge from UTSAP funds. Effective October, 1998, the supplemental assistance was raised from \$10 to the remaining 50% of the installation charge for eligible telecommunications carriers (“ETC”). Carriers who have not applied for ETC status do not receive the federal funding, however, they are eligible for 50% of the installation charge from UTSAP. Additionally, on December 15, 1998, UTAC petitioned the Commission for a monthly supplemental assistance amount of \$1.50 to be added to the existing \$5.25. This allowed the Commission to request additional federal support equal to one-half of any support generated from Illinois, bringing the total amount of monthly supplemental assistance to \$7.50. In 2000, the FCC promulgated an amendment to its Lifeline regulations, which increases federal Lifeline support for low-income consumers in the service areas of federal price cap LECs to offset an increase ordered by the FCC in the federal subscriber line charge of price cap LECs. The federal subscriber line charge for price cap LECs was capped at \$3.50, but now is capped at \$4.35. The amount of supplemental assistance is reviewed on an annual basis by the Commission according to the level of voluntary contributions.

To be eligible, recipients must currently receive benefits from one of the following programs: Food Stamps, Medicaid, Federal Public Housing, Supplemental Security Income (“SSI”), and Low-Income Home Energy Assistance Program (“LIHEAP”). UTSAP is administered by a not-for-profit Universal Telephone Assistance Corporation (UTAC). The UTAC Board of Directors has 9 members consisting of 5 representatives from local exchange companies, 2 members representing ratepayers, and 2 members representing low-income consumers.

In response to an FCC merger condition, Ameritech implemented an enhanced Lifeline Program in December 2000, entitled Lifeline USA, that provides 100% on connection charges and a \$10.20 monthly discount on basic service. This program offers consumers more discount dollars, restricts optional and pay-per-use services, provides for payment arrangements on past due local service bills. Verizon has offered a similar program, however, the Commission has until July 2001 to accept the program.

The following table shows the number of recipients and voluntary contributions to the program since March 1993.

DATE	LINK-UP RECIPIENTS	LIFELINE RECIPIENT S	CONTRIBUTIONS
1993	15,267	--	\$242,997
1994	26,634	--	\$1,015,726
1995	24,000	--	\$801,423
1996	10,249	--	\$882,014
1997	6,720	--	\$855,600
1998	12,050	55,500	\$922,250
1999	12,200	53,300	\$911,500
2000	13,000	54,000	\$1,000,175

#### **LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)**

Financial assistance is available to low income households in Illinois for energy bills. A household was previously considered eligible if its income is at or below 125% of the federal poverty guideline. Legislation to increase the eligibility level in Illinois up to 150% became effective in January 2000. The program is administered by the Illinois Department of Commerce and Community Affairs through thirty-five agencies that operate in all Illinois counties. Funding for the program comes from two sources. One source is a federal government block grant through the Department of Health and Human Services. Beginning in January 1998, state funding has been made available as a result of a surcharge which is added to the electric and gas bills of all customers of investor owned utilities. Electric cooperatives and municipally owned gas and electric systems have a choice of whether to assess the surcharge. If the charge is not assessed, the customers do not benefit from the assistance. The amounts which are collected are added to the federal LIHEAP funds. A portion of LIHEAP funds are also used for weatherization and program administration.

## **PUBLICATIONS AVAILABLE**

The Illinois Commerce Commission has developed a series of publications for consumer education and outreach. Following is a listing of those which may be of interest to both utility consumers and individuals needing information on the Commission.

**Facts About Consumer Complaints:** outlines the two basic levels of complaints, informal and formal, which the Illinois Commerce Commission handles.

**Your Quick Reference Guide to Preparing for a Formal Complaint Hearing:** is a consumer's "how-to" guide for preparing for a formal complaint hearing with topics such as: setting the hearing date, obtaining witnesses, supplying the necessary documentation, following the hearing procedures, accepting or appealing the Commission's decision, and filing for a rehearing.

### ***ENERGY and WATER/SEWER***

**InfoCards:** (informational postcards) offer consumers practical information pertaining to rules for electric, gas, water/sewer utilities in an easy-to-read, single sheet format. There are 7 unique InfoCards which address consumers' rights and responsibilities with regard to: 1. Utility Bills; 2. Payment Plans for Utility Service; 3. Disconnecting Utility Service; 4. Reconnecting Utility Service; 5. Deposits for Utility Service; 6. Resolving Your Utility Problems; and 7. Mediation. The post card format allows counselors to expeditiously send useful information to consumers.

**InfoPac:** (informational packets) provide the identical information as the InfoCard, but in one document. The InfoPac is distributed to consumers who require information on several topics at once. Additionally, the ICC provides copies to local administering agencies which provide intake for the Low Income Home Energy Assistance Program (LIHEAP), to community groups who work with low income consumers and to people who attend consumer forums.

**Rights and Responsibilities as an Electric, Gas or Water Utility Customer:** provides an overview of the utility consumers' rights and responsibilities; it does not include telephone service.

**Understanding Natural Gas Prices:** provides an explanation of the increase in natural gas prices.

**Natural Gas Energy Saving Tips:** provides suggestions to reduce or control consumption.

## ***ELECTRIC RESTRUCTURING***

**A Consumer's Guide to Electric Service Restructuring:** provides information about electric service restructuring in Illinois. It includes topics such as what is changing, what consumers will be choosing, when options will be available, and a glossary of key terms.

## ***TELECOMMUNICATIONS***

**Local Telephone Service Your Rights and Responsibilities as a Consumer:** provides an overview of consumer rights and responsibilities related to local exchange service.

**Smart Shoppers Guide to Using Phones Away from Home:** informs and cautions telephone users to be aware of charges levied by Operator Service Providers when using telephones away from home. It also addresses the consumers rights to access the carrier of their choice and to be notified of the rates which will be assessed to them.

**Rates and Charges for Using an Operator's Service in Illinois:** is a postcard which provides the maximum rates per minute for intrastate calls and the maximum surcharges for making operator-assisted calls. In addition, it explains what consumers can do if they have been overcharged. This is updated annually based on the approved rates.

**What You Should Know About Using "900" Numbers:** highlights 83 Illinois Administrative Code Part 772 by providing information on pay-per-call services. Included is information about the preamble that information providers must provide and customer rights regarding charges.

Also available from the Commission is **Telephone Choices**. This publication provided by the Consumer Education Fund Committee describes choices available to customers for the three kinds of calls; local, local toll and long distance.